



Sean Rogan
Executive Director

**COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles**

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Hilda L. Solis
Mark Ridley-Thomas
Sheila Kuehl
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Michael D. Antonovich
Commissioners

February 17, 2015


The Honorable Board of Commissioners
Community Development Commission
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

2-D February 17, 2015


PATRICK OGAWA
ACTING EXECUTIVE OFFICER

**APPROVE AN AGREEMENT TO NEGOTIATE EXCLUSIVELY WITH HOLLYWOOD COMMUNITY
HOUSING CORPORATION FOR THE DISPOSITION AND DEVELOPMENT OF 14733-14739 S.
STANFORD AVENUE IN UNINCORPORATED WEST RANCHO DOMINGUEZ
(DISTRICT 2) (3 VOTE)**

SUBJECT

This letter recommends approval of an Agreement to Negotiate Exclusively (ANE) between the Community Development Commission (Commission) and Hollywood Community Housing Corporation (HCHC), a California nonprofit public benefit corporation, for negotiation of a Disposition and Development Agreement (DDA) for two Commission-owned properties located at 14733-14739 South Stanford Avenue in unincorporated West Rancho Dominguez.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Executive Director, or his designee, to negotiate, execute, and if necessary, amend or terminate a 180-day ANE, presented in substantially final form, between the Commission and HCHC, for negotiation of a DDA for two Commission-owned properties located at 14733-14739 South Stanford Avenue in unincorporated West Rancho Dominguez.
2. Authorize the Executive Director, or his designee, to extend the term of the ANE for a maximum of two 90-day extensions, if needed.
3. Find that approval of these actions, as described herein, is not subject to the provisions of the California Environmental Quality Act (CEQA), because the actions will not have the potential for causing a significant effect on the environment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to authorize execution of documents with HCHC to provide for negotiation of a DDA for two Commission-owned properties located at 14733-14739 South Stanford Avenue in unincorporated West Rancho Dominguez.

FISCAL IMPACT/FINANCING

There is no impact on the County General Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Commission purchased the 1.28 acre property at 14733-14739 South Stanford Avenue in unincorporated West Rancho Dominguez using Community Development Block Grant funds. HCHC is currently in the process of acquiring the adjacent property located at 14803 South Stanford Avenue. The Commission now requests authorization to execute an ANE with HCHC, in order to negotiate a DDA to complete the project. Following completion of negotiations with HCHC, the Commission will return with a negotiated DDA for your Board's review and approval.

ENVIRONMENTAL DOCUMENTATION

The action is not a project pursuant to CEQA because it is an activity that is excluded from the definition of a project by Section 15378 (b) of the State CEQA guidelines. The proposed action is an administrative activity of government which will not result in direct or indirect physical change to the environment. CEQA review requirements must be completed in conjunction with the entitlement process for the project.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed actions will increase affordable housing and supportive services for low-income households within the unincorporated area of West Rancho Dominguez.

Respectfully submitted,



SEAN ROGAN

Executive Director

SR:CC:lk

Enclosures

**STANFORD AVENUE
AFFORDABLE HOUSING DEVELOPMENT**

AGREEMENT TO NEGOTIATE EXCLUSIVELY

by and between

**COMMUNITY DEVELOPMENT COMMISSION
OF THE COUNTY OF LOS ANGELES**

and

HOLLYWOOD COMMUNITY HOUSING CORPORATION

STANFORD AVENUE AFFORDABLE HOUSING DEVELOPMENT

AGREEMENT TO NEGOTIATE EXCLUSIVELY

THIS AGREEMENT TO NEGOTIATE EXCLUSIVELY (the "Agreement") is entered into this _____ day of _____, 2014, by and between the **COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES**, a public body, corporate and politic (the "Commission"), and **HOLLYWOOD COMMUNITY HOUSING CORPORATION**, a California nonprofit public benefit corporation (the "Developer"), on the terms and conditions set forth below. The Commission and the Developer are sometimes referred to collectively herein as the "Parties" and each individually as a "Party."

RECITALS

- A. WHEREAS, the Commission is the owner of that certain real property located at 14733-14739 S. Stanford Avenue (the "Site") in the unincorporated Compton area of the County of Los Angeles.
- B. WHEREAS, the Commission now seeks to move forward with the development of the Site with the Developer and desires to enter into a new Agreement to Negotiate Exclusively ("Agreement") for the purpose of negotiating the terms of, and preparing a Disposition and Development Agreement ("DDA").

NOW, THEREFORE, the Parties agree to negotiate exclusively and in good faith to enter into a DDA upon the following terms and conditions:

[100] Duration of this Agreement

The Parties agree to negotiate in good faith for a period of one hundred and eighty (180) days from the date first above written, plus a maximum of two 90-day extensions, if mutually agreed to by the Executive Director of the Commission and the Developer ("Negotiation Period"). If, upon expiration of the Negotiation Period, the Developer has not signed and submitted a Disposition and Development Agreement (DDA) satisfactory to the Commission, this Agreement shall automatically terminate. The Board of Commissioners of the Commission of the County of Los Angeles ("Board of Commissioners") has authorized the extension of this Agreement at the discretion of the Executive Director of the Commission.

[200] Good Faith Negotiations

The Commission and the Developer agree during the Negotiation Period set forth above to negotiate diligently and in good faith to prepare the DDA for execution by the Developer and for submission and approval by the Board of Commissioners, in the

manner set forth herein with respect to the development as referenced in Section 300 herein (the "Scope of Development"). The Commission agrees, for the Negotiation Period, not to negotiate with any other person or entity regarding development or transfer of the Site. During the term of this Agreement, the Commission shall keep confidential all information, plans, projections, and reports provided to the Commission by the Developer in connection with the review, evaluation, and development of the Site and shall not disclose any such material to any third party, except to the extent required by law, without the express written consent of the Developer.

In the event at any time during the Negotiation Period the Developer does not negotiate diligently and in good faith as determined by the Commission in its reasonable discretion, the Authority shall give written notice thereof to the Developer who shall then have thirty (30) business days to negotiate in good faith to the satisfaction of the Commission. Following the receipt of such notice and the failure of the Developer to thereafter negotiate in good faith within said thirty (30) business days this Agreement may be terminated upon written notice by the Executive Director of the Commission.

Except as provided in the preceding paragraph, upon termination of this Agreement on or before the expiration of the Negotiation Period (which may include any authorized extension of the original 180-day period), neither party shall have any further rights against or liability to the other under this Agreement.

If a DDA is approved and executed by the Commission and the Developer, the DDA shall thereafter govern the rights and obligations of the parties with respect to the Development and shall supersede this Agreement.

[300] Scope of Development

The negotiations between the Developer and the Commission shall be for the disposition, construction and sale of the Development that was proposed by the Developer. The Developer Proposal is incorporated into this Agreement by reference, as though fully set forth herein.

[400] Intentionally Left Blank

[500] The Developer

Since 1989, Hollywood Community Housing Corporation has been a community-based nonprofit corporation that preserves and expands the supply of affordable housing for lower income households in the underserved communities of Los Angeles

[501] Nature of the Developer

The Developer is a California nonprofit public benefit corporation.

[502] Office of the Developer

Hollywood Community Housing Corporation
5020 W. Santa Monica Blvd.
Los Angeles, CA 90029
ATTENTION: Executive Director

[503] Full Disclosure

The Developer shall make full disclosure to the Commission of its principals, board members, major partners, joint venture partners, key managerial employees and other associates (collectively, "principals"), and all other material information concerning the Development, including education, experience, and qualifications of Developer and its principals whose identities, development experience, and qualifications are of great importance to the Commission and are the basis for the Commission to enter into this Agreement.

Any change of the principals of the Developer directly involved with the development of the Site, with the exception of board members, must be approved by the Commission in its sole discretion during the term of this Agreement.

[600] Developer Financial Capacity and Financial Ability

Prior to approval and execution of the DDA by the Developer and the Commission, the Developer shall submit to the Commission evidence of its ability to finance the construction of the Development to the satisfaction of the Commission in its sole and reasonable discretion.

[700] Developer Pre-development Activities

During the Negotiation Period, the Developer will conduct due diligence activities that may include, but are not limited to, an appraisal, market study, Phase 1 and Phase 2 environmental investigation, as well as financial and legal consultations.

[701] Public Participation

During the Negotiation Period, the Developer must hold public meetings to obtain public comment on the proposed Development and be prepared to report on and respond to questions and comments by the Commission.

[702] Developer's Findings, Determinations, Studies and Reports

Upon reasonable notice, as requested by the Commission in its sole discretion, the Developer shall provide written progress reports to the Commission on any matters, including plans and studies related to the Development.

[800] Reserved

[801] Office of the Commission of the County of Los Angeles

Commission of the County of Los Angeles
700 West Main Street
Alhambra, CA 91801
ATTENTION: Cordé Carrillo, Director
Economic and Housing Development Division

The Director of the Economic and Housing Development Division is the Commission's authorized representative to administer and implement this Agreement, subject to any appropriate approvals of the Executive Director of the Commission and Board of Commissioners.

[900] Authority Assistance

The Commission will assist the Developer by providing appropriate information for the completion of the DDA, as the Commission determines in its sole discretion.

[1000] Limitations of this Agreement

This Agreement does not constitute a commitment of any kind by the Commission regarding the sale, transfer, or development of all or any part of the Site. Execution of this Agreement by the Commission is merely an agreement to enter into a period of exclusive negotiations according to the terms hereof, reserving final discretion and approval by the Board of Commissioners as to any DDA and all proceedings and decisions in connection therewith.

(Signature Page to Follow)

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date and year first above written.

**COMMUNITY DEVELOPMENT COMMISSION
OF THE COUNTY OF LOS ANGELES**
a public body, corporate and politic

SEAN ROGAN, Executive Director

APPROVED AS TO FORM:

MARK J. SALADINO
County Counsel

Deputy

**HOLLYWOOD COMMUNITY HOUSING
CORPORATION**
a California nonprofit public benefit corporation

WILLIAM HARRIS, Executive Director